

# SNPLMA 201





# Introduction & Purpose

- SNPLMA Program has four core processes – Nomination, Funding, Implementation, and Closeout.
- This course will focus on the Implementation process.
- Within the Implementation process, the emphasis will be on:
  - the project purpose, time, and amount
  - SNPLMA program and partner audits – lessons learned
  - Quarterly Status Reporting in the SNPLMA database
  - SNPLMA project file review

# Quick Review

- Project was nominated by the agency/entity and approved by the Secretary of the Interior – *Nomination Process*
- Workplan in the SNPLMA Database is approved – *Funding Process*
- Financial instrument is approved/awarded – task order, Assistance Agreement, IAA, direct transfer – *Funding Process*

# SNPLMA Implementation Guidance

- SNPLMA Implementation Agreement contains the business rules for our four core project processes. Latest version is October 2007.
- Solicitor's Opinion, February 2005 – SNPLMA funds are appropriated funds and must be expended in accordance with Appropriations Law principles.
- Appropriations Law introduces the concept of availability, which includes purpose, time, and amount. All three must be observed for an expenditure to be legal.
- Executive Committee decision memoranda approved changes to the Implementation Agreement to conform to the “availability” of the SNPLMA appropriation.
- Constantly improving and refining the Implementation Agreement as new information is available from SNPLMA program or project audits, Solicitor Opinions on specific project implementation issues, OMB Circular guidance and regulations, etc.

# Purpose

## Specific vs. General:

- An appropriation for a specific object is available for that object to the exclusion of a more general appropriation, which might otherwise be considered available for the same object, and the exhaustion of the specific appropriation does not authorize charging any excess payment to the more general appropriation, unless there is something in the general appropriation to make it available in addition to the specific appropriation.<sup>37</sup> In other words, if an agency has a specific appropriation for a particular item, and also has a general appropriation broad enough to cover the same item, it does not have an option as to which to use. It must use the specific appropriation.
- If two appropriations are available for the same purpose, the agency may elect which one to use. Once the election is made the agency must continue to use that appropriation until the end of the project.

# Purpose

- The purpose of the project is determined in the nomination. Prior to Round 13 the purpose of the project is derived through the common meaning of the words in the nomination.
- The nomination criteria, package requirements, workplan, and other available information will be used to determine the project's purpose.
- In most cases, the nomination will state the deliverables or products resulting from the project.
- Appropriations Law does not differentiate a “[program](#)” from a “[project](#)”. The terms are used interchangeably.



# Purpose

- Beginning in Round 13, the purpose of the project is explicitly stated: Who will do What, Where and Why. How the purpose is accomplished is less significant because there are multiple ways to accomplish the same purpose.

Example: The BLM will treat up to 6,000 acres of hazardous fuels in the Red Rock Canyon National Conservation Area to reduce the threat to public safety from catastrophic wildfires and to restore the area to Fire Regime Condition Class 1.

*Key principle: the meaning of the words cannot be expanded or different definitions used to justify your desired implementation actions.*

# Purpose

- Discrepancies between in the purpose usually appear when a scope change is requested or at project closeout.
- The SNPLMA Division Program Manager and the agency/entity will work together to define the purpose.
- Disagreements between the SNPLMA Division and the agency/entity will be resolved by the Executive Committee.
- Consequences of not being familiar with the purpose of the project could be costly. Do you have the budget to repay the SNPLMA account for not understanding the purpose of your project?



# Time

*“It is expected that approved projects will be implemented within the timeframe specified in the project nomination, with appropriate time allocated for project startup and closeout as agreed upon in the work plan approved by the BLM. Time extension requests should be considered exceptions to the expected practice of timely implementation of projects and therefore limited in number and scope.” – Secretary Salazar*

# Time

- The timeframe of a project is determined in the nomination or derived from the supporting budget and documentation, such as the deliverables or the Appendix B-(1, 3, 4, 5, 6, 7, 8, 9, 10, 11) or Expanded Budget .
- The timeframe is calculated from the earliest starting action to the latest finishing action.
- A project begins with the receipt of the signed financial instrument and ends with a project closeout letter from the SNPLMA Division.
- Specific dates listed in a nomination are not used literally to determine a project's timeframe, rather, the dates will be used to establish the period of performance once the project begins.

# Time

- Beginning with Round 13 the timeframe of a project depends on the category:
  - Environmentally Sensitive Land Acquisitions – 3 years
  - PTNA, Capital Improvements, Conservation Initiatives, Lake Tahoe capital projects – 5 years
  - ENLRP projects and science projects funded through either Lake Tahoe, ENLRP or Conservation Initiatives – 4 years
  - Hazardous fuels reduction projects (in any category) – 6 years
- These timeframes include start-up and closeout.



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# Amount

- The initial amount of funding is authorized by the Secretary of the Interior's Decision Document(s).
- Each Round, the Secretary of the Interior authorizes an amount of funding for the Special Account Reserve (SAR) for distribution by the Executive Committee as they determine necessary.
- New or additional funding through Budget Reallocation (BRA) – moving funding from one project to another in the same category and agency – is no longer authorized.
- Per Executive Committee decision, there are new rules for using contingency funds. If authorized by the Secretary, the agency/entity must demonstrate to the SNPLMA Division why the funds are needed.

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# Amount

- SNPLMA funding is considered “no-year funds” which means once the Secretary approves the funding in a decision document; the appropriation is available until expended in accordance with existing laws, regulations, circulars, policies, and the SNPLMA Implementation Agreement.
- Funding is authorized for “necessary expenses” to carry out the purpose of the project, which means, expenditures must bear a direct relationship to carrying out the purpose of the project, must not be prohibited, and must not be covered by more specific source of funding.
- Indirect cost rates are not allowed unless authorized by other laws or regulations, as in the case of grants and assistance agreements.



# Amount

- Overhead charges are best as direct charges; however, they may be allocated as a percentage of the total workload.
  - This form of charge should be re-examined and adjusted, as appropriate, at least each year or at logical stages in your agencies budget cycle.
  - For example: the SNPLMA projects for the Southern Nevada District, BLM, are 15% of the total workload for the District Manager and the support staff, therefore it is reasonable to charge labor and operations at a 15% rate in a corporate budget scenario.
  - It is important to document what method and rationale the management team is using to justify overhead charges and be consistent.
  - Standard indirect overhead charges are not allowed. It is your responsibility to get a waiver from your management to not assess standard indirect cost charges.

# SNPLMA Program and Partner Audits

- The SNPLMA Program has undergone multiple audits and reviews by various levels of government accountability offices, including, the Office of Inspector General (OIG), the Office of Management and Budget (OMB), and the Secretary of the Interior Office of Policy Analysis (PPA).
- SNPLMA fund recipients may also undergo audits or be required to submit to annual audits under the Single Audit Act.
- Audits are a good thing – they inform the process so we can improve our accountability, transparency and demonstrated results.

# SNPLMA Program and Partner Audits

- Lessons Learned:
  - Labor charged to the project is not specifically attributed to the purpose. Charge where you work not where you are necessarily budgeted.
  - Documentation to support the direct labor charges has to include specific actions or deliverables the personnel performed to carry out the purpose. Not good enough to simply annotate John Doe as a Wildlife Biologist on a labor report. What did John do to contribute to the purpose? This is especially important when the persons job title is not readily apparent to logical to the purpose of the project.
  - Expenditures occurring before or after the performance period of the project. SNPLMA projects have a performance period and not a payment period. Payments can occur after the project expires as long as the work was within the performance or active period of the project.



# SNPLMA Program and Partner Audits

- Lessons Learned continued:
  - Funding from one project cannot be used to supplement another, even if they are similar in scope and purpose.
  - Funding from one project cannot advance the funding for a future project even though the original account will be repaid.
  - Example: A Round 12 project cannot fund the start-up of work approved by the Secretary in Round 13, but for which SNPLMA has not made funding available yet.
  - SNPLMA funding cannot be “pooled” or mingled together with other grant funding or agency funding. Separate accounting and scope accountability is required when more than one line of funding is used on contracts or agreements, etc.
  - Project equipment/supplies/materials, etc., must be consumed by the project. “Stocking the cache” is strictly prohibited. The length of time or amount of use should be a factor in the purchase of equipment.



# SNPLMA Quarterly Reporting

- The legislation requires “the Secretary, in cooperation with the Secretary of Agriculture, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives an annual report on all transactions under this Act.”
- The BLM interprets the phrase “*all transactions under this Act*” to mean the projects, land sales, affordable housing reservations, RP&P actions, etc.
- The OIG audits have emphasized the need of BLM to have tight controls over project and administrative expenditures.
- The direction to use the “1151 transfer” process requires more oversight.

# SNPLMA Quarterly Reporting

- Reporting is used by the SNPLMA Division to determine if progress is sufficient to justify the transfer of additional funds, ASAP drawdown, or reimbursement request.
- The SNPLMA Division prepares an Annual Report to Congress to highlight the recently closed projects for the previous fiscal year. The Quarterly Reporting Database helps the BLM achieve this without burdening the agency/entity with meeting this requirement.
- The public has a right to know what the status of projects are and the SNPLMA Division uses the information to update the SNPLMA website.



# SNPLMA Quarterly Reporting

- Reporting will be moving to the web, where the consolidation of databases and navigating Microsoft Access cease to exist.
- The new online reporting will, however, look and input like the Access database.
- **Don't forget your transmittal letters (TPS Cover Sheet) as described in the new Appendix J!**

# SNPLMA Project Review

- The BLM is to conduct periodic project inspections at logical phases of the project.
- Due to travel ceilings, the SNPLMA Division's goal is to make at least one visit/review at project closeout.
- The file review consists of making sure the proper level of documentation is being retained. It may lead to additional documentation or including or excluding certain expenditures.
  - For example, explain why the project consumed 20 shovels, 1000 gallons of gas not purchased on a vehicle credit card, or deer repellent for a Mojave restoration project.
- Follow your existing record keeping retention policies. However, it is important to know where the files are stored in case an audit or FOIA, etc.

# SNPLMA Project Review

- The SNPLMA Program Manager review is not an audit. The completion of a SNPLMA review does not protect or defend an agency/entity from an audit or audit finding.
- Our goal is to help make a strong documentation package and to ensure the expenditures are documented for the authorized purpose according to the nomination.
- Take the time to properly document the file now. How much time do you have to spend looking for the documentation when an audit, FOIA, law suit, etc., comes months or years from now.

# SNPLMA Project Review

- With shrinking travel ceilings and budgets, include the cost of shipping the documentation package to the SNPLMA Division for a file review, if possible.
- Set-up a schedule for a Program Manager to conduct multiple project reviews for multiple agencies/entities in the same visit.
- Field visits should be done when possible or practical. However, take lots of pictures of implementation activities. The pictures can tell the story of project implementation and possibly serve as a surrogate to a field visit.



# What is Next?

- The SNPLMA Division will develop courses for the nomination, funding instrument, and project closeout processes.
- Use Appendix J as a guide to proper project documentation.
- Contact your Program Manager for guidance on certain decision points, like equipment purchases, scope clarifications, cost sharing principles, etc.
- Document, document, document. The decisions we make should be documented. An agency's discretion to take a course of action is not unlimited but it can help frame and provide context to expenditures, scope implementation, time, etc.

# Questions?

[www.blm.gov/snplma](http://www.blm.gov/snplma)

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# Thank You



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